GOVERNMENT OF INDIA
COAL
LOK SABHA

UNSTARRED QUESTION NO:1143
ANSWERED ON:02.08.2006
UTILISATION OF AMOUNT BY CIL
Ahir Shri Hansraj Gangaram

Will the Minister of COAL be pleased to state:

(a) whether the amount released by the Government to the Coal India Limited and its subsidiaries for the earth moving and technical management have been fully utilised;

(b) if so, the details thereof;

(c) if not, the reasons therefor;

(d) whether the production has been affected due to failure to spend the amount released therefor;

(e) if so, the details thereof; and

(f) the steps taken by the Government to ensure utilisation of funds released for the purpose?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COAL (DR. DASARI NARAYAN RAO) :

(a) to (c) The amount provided for Heavy Earth Moving Machinery (HEMM) for the subsidiaries of Coal India Ltd. (CIL) during last three years has not been fully utilized as may be1 seen from the details given below:-

(Rs. in crores)

	2003-04	2004-05	2005-06
Budget Estimate	1127.92	1093.94	1266.25
Actual	510.66	456.81	838.08
Difference	617.26	637.13	428.17

The shortfall in capita expenditure on HEMM has been due to the following reasons:-
i. Change in the policy of procurement of HEMM

ii. Delay in approval of projects

iii.Delay in land acquisition, particularly forest land

iv. Delay in rehabilitation of villages

v. Change of option from departmental equipment to hired equipment

vi. Poor fund position in loss making subsidiaries

vii.Delay in finalization of tenders.

(d) and (e) No,Sir,The production has not been adversely affected due to less expenditure on HEMM as revealed from the following

table :-

(In million tonnes)

Year	Target	Actual
2003-04	298.50	306.36
2004-05	314.00	323.58
2005-06	343.00	343.39

(f) All precautionary measures are taken while formulating the Annual Plan of the company to make realistic estimates. In addition to this there is regular monitoring mechanism at Area level, at Subsidiary level and at CIL level to oversee the pace of expenditure and to improve the same with in the existing constraints.